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Attorneys for Elmer Ketterling

U.S. COURTS

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CARLTON S. BURKE

CLERK, IDAHO

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF IDAHO

IN RE:

LYNN KETTERLING and JEANNE
KETTERLING, d/b/a
Ketterling Farms,
Debtors.

Case No. 03-41318

OBJECTION TO PLAN
OF REORGANIZATION

COMES NOW Elmer Ketterling and objects to the debtors
plan of reorganization as follows:

1. That Elmer Ketterling is the holder of a life estate
mortgage in the debtors' residential real property pursuant to a
Warranty Deed dated October 21, 1999 and recorded in the Minidoka
County records on October 21, 1999 as Instrument No. 444401. A
true and correct copy of such Warranty Deed is attached hereto as
Exhibit "A".

2. That the plan of reorganization does not provide for
the immediate payments to Elmer Ketterling or for the prompt
curing of the defaults under the terms of the Warranty Deed.

3. The debtors are in default under the terms of the Warranty Deed for the failure to pay the monthly payment amounts due under such Deed for the months of December, 2002 through June, 2003. The default being the sum of \$3,500.00 which debtors propose to pay over the life of the Plan, to-wit: an apparent unknown period. Due to the unusual nature of the mortgage-life estate, it is unreasonable to expect Elmer Ketterling to wait for the default to be cured, in addition, there is no guarantee that the debtors have the ability to cure the default over the life of the plan without the inclusion of the debtors personal employment income, which debtors are seeking to remove from the plan.

4. The debtors' liquidation analysis incorrectly sets forth the amount owing to Elmer Ketterling by virtue of his mortgage on the premises. Debtors assert the amount of the lien as \$45,000.00. The actual amount owed is the approximate sum of \$137,000.00 being paid or the life of Mr. Ketterling, whichever occurs first.

5. The debtors' plan of payment of the sums due to Elmer Ketterling showing payments of \$500.00 per month commencing in July, 2003 has not occurred and the default of the debtors has increased during that time period by \$1,000.00 through October, 2003. Debtors' failure to maintain such payments is contrary to 11 U.S.C. 1222(b)(5).

6. The debtors' plan of reorganization is not such that the debtors may be able to make all of the payments required under the plan, particularly the payments to Elmer Ketterling as

required under 11 U.S.C. 1225(a)(6).

7. The debtors' plan of reorganization does not provide Elmer Ketterling with the full value of Elmer Ketterling's claim based upon the unusual nature of the language of the Warranty Deed to the debtors.

DATED this 22nd day of October, 2003.

GOODMAN & BOLLAR

By Alan Goodman
Alan Goodman
Attorney for Elmer Ketterling

CERTIFICATE OF MAILING

The undersigned, a resident attorney of the State of Idaho, with offices at 717 7th Street, Rupert, Idaho, certifies that on the 23rd day of October, 2003, he caused a true and correct copy of the OBJECTION TO PLAN OF REORGANIZATION to be forwarded with all required charges prepaid, by the method(s) indicated below, to the following:

Lynn Ketterling
100 North, 160 West
Rupert, Idaho 83350

Jeanne Ketterling
100 North, 160 West
Rupert, Idaho 83350

D. Blair Clark, Esq.
Ringert Clark
Attorneys at Law
P.O. Box 2773
Boise, Idaho 83701

Forrest P. Hymas
Trustee
P.O. Box 89
Jerome, Idaho 83338

by depositing a copy thereof in the United States mail, postage prepaid, in an envelope addressed to said party at the foregoing address.

GOODMAN & BOLLAR

By Alan Goodman
Alan Goodman
Attorneys for Elmer Ketterling

444401

WARRANTY DEED

THIS INDENTURE, made this 21ST day of October, 1999, by ELMER E. KETTERLING, a/k/a ELMER KETTERLING, dealing with his sole and separate property, ("Grantor"), and LYNN ELMER KETTERLING and REBECCA JEANNE KETTERLING, husband and wife, whose address is 100 North 160 West, Rupert, Idaho 83350, ("Grantee").

WITNESSETH:

The Grantor for and in consideration of the sum of Ten Dollars (\$10.00), lawful money of the United States of America, and other good and valuable consideration, to the Grantor in hand paid by the Grantee, the receipt whereof is hereby acknowledged, has granted, bargained, and sold and by these presents does grant, bargain and sell, convey and confirm unto the Grantee, and to the heirs and assigns of Grantee forever, all of the following described real estate situated in the County of Minidoka, State of Idaho, to-wit:

Part of the SE $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 18 of Township 9 South, Range 24 East of the Boise Meridian, Minidoka County, State of Idaho.

Beginning at the south $\frac{1}{4}$ section corner of Section 18 of T.9 S., R.24 E., B.M. said corner marked by a 5/8" rebar; Thence South 89 degrees 54 minutes 52 seconds West along the south line of Section 18 for a distance of 317.30 feet to the Point of Beginning;

THENCE South 89 degrees 54 minutes 52 seconds West along the south line of Section 18 for a distance of 465.53 feet;

THENCE North 00 degrees 18 minutes 54 seconds West for a distance of 25.00 feet to a $\frac{1}{2}$ " rebar;

EXHIBIT

A

THENCE North 00 degrees 18 minutes 54 seconds West for a distance of 642.16 feet to a 1/2" rebar;

THENCE South 89 degrees 38 minutes 07 seconds East for a distance of 467.21 feet to a 1/2" rebar;

THENCE South 00 degrees 10 minutes 21 seconds East for a distance of 638.49 feet to a 1/2" rebar;

THENCE South 00 degrees 10 minutes 21 seconds East for a distance of 25.00 feet to the Point of Beginning.

SUBJECT TO AND CONDITIONED upon payment by the Grantee, their successors or assigns, of Five Hundred Dollars (\$500.00) per month to the Grantor, or as he may direct, payable on the twentieth (20th) day of each month for the remainder of Grantor's life or until the full sum of One Hundred Fifty Thousand Dollars (\$150,000.00) has been paid, whichever occurs first. The Grantor shall have the right of reentry and reconveyance of the record title to the property in the event of Grantee's breach.

Said property contains 7.12 acres more or less and is subject to a 25 foot wide county road right of way along the south side and subject to a 20 foot wide irrigation ditch easement lying immediately north of the north right of way of said county road and subject to any other easements or right of ways, existing or of record.

TOGETHER with all and singular the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, the reversion and reversions, remainder and remainders, rents, issues and profits thereof, and all estate, right, title and interest in and to said property as well in law as in equity of the Grantor.

TO HAVE AND TO HOLD, all and singular the above-mentioned and described premises, together with appurtenances unto the Grantee and to the heirs and assigns of Grantee forever.

The Grantor shall and will warrant and by these presents will forever defend the said premises in the quiet and peaceable possession of the Grantee, and the heirs and assigns of Grantee against all and every person and persons whomsoever lawfully claiming the same, except as aforesaid.

IN WITNESS WHEREOF, the Grantor has executed this Deed the day and year first above written.

Elmer E. Ketterling
ELMER E. KETTERLING

STATE OF IDAHO

County of CASSIA

} ss.

On this 21st day of October, in the year of 1999, before me, the undersigned, a Notary Public in and for said State, personally appeared ELMER E. KETTERLING, known or identified to me to be the person whose name is subscribed to the within instrument, and acknowledged to me that he executed the same.

[Signature]
Notary Public for Idaho
Residing at Bear
My Commission expires 12-2-2008

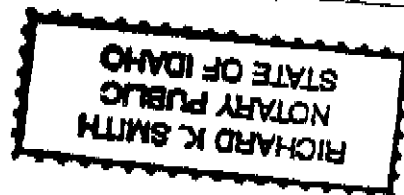
State of Idaho }
County of Minidoka } ss.

I hereby certify the foregoing to be a true and correct copy of the original Warranty Deed now on file or recorded in my office in Rupert, ID

Dated: April 7, 2000

Duane Smith
Clerk, Auditor & Recorder

By Duane Smith Deputy



RECORDED AT REQUEST OF
Elmer E. Ketterling
FILE NO. _____
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MINIDOKA COUNTY, IDAHO
DUANE SMITH, RECORDER
FEE 9 - DEPUTY du

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